

CIRCULAR ECONOMY MARKET DEVELOPMENT GRANTS

GUIDELINES

2023-24



Government
of South Australia

Green Industries SA

Contents

- Submission of Applications 3**
- About Green Industries SA..... 3**
- South Australia’s Waste Strategy 3**
- South Australia’s Waste and Resource Recovery Infrastructure Plan 4**
- Objectives of the Circular Economy Market Development Grant Program 4**
- Available funding 5**
- Matching the Circular Economy Market Development Grant 5**
- Eligible applicants..... 5**
- Eligible projects..... 6**
- What will not be funded 7**
- Assessment criteria 9**
- Access to intellectual property10**
- Privacy and commercial-in-confidence considerations10**
- Insurance10**
- Application and assessment process.....10**
- Funding agreement10**
- Duration11**
- Promotion and case studies.....11**
- Reporting11**

Submission of Applications

All applications should be submitted on the application form attached to these guidelines and received by Green Industries SA by **5pm Adelaide time, 19 February 2024**.

All application forms must be submitted, with a signed declaration, electronically (as a Microsoft Word file or PDF) with all supporting information scanned and emailed to serena.yang@sa.gov.au (emails should not exceed 10MB).

Further information

Serena Yang
Manager Policy and Evaluation
Green Industries SA
08 8204 1913
serena.yang@sa.gov.au

About Green Industries SA

Green Industries SA is a leader in advancing the circular economy in South Australia through supporting innovation, collaboration and excellence:

- Creating jobs and economic growth
- Maximising the value of our resources and reducing waste and pollution
- Improving our environment and wellbeing.

It aims to transform how South Australians use and value resources. Its objectives under the *Green Industries SA Act 2004* are to:

- promote waste management practices that, as far as possible, eliminate waste or its consignment to landfill; and
- promote innovation and business activity in the waste management, resource recovery and green industry sectors, recognising these areas present valuable opportunities to contribute to the state's economic growth.

Green Industries SA's five strategic priorities under its *Strategic Plan 2021-2025* focus on: Circular products and services, Circular consumption, Circular resource recovery, Circular sectors and Circular capacity over the next five years.

For more information visit www.greenindustries.sa.gov.au

South Australia's Waste Strategy

The Circular Economy Market Development Grant program supports the goals of *South Australia's Waste Strategy 2020-2025*. The strategy is available from Green Industries SA website at: <https://www.greenindustries.sa.gov.au/resources/sa-waste-strategy-2020-2025>.

The Strategy outlines actions that can contribute to the development of a circular economy – that is, an economy that realises the best of full value from products and materials produced, consumed and recovered in South Australia through:

- a clearly articulated policy and legislative framework that gives a solid platform for investment decisions and a stable and efficient market
- supporting innovation and commercialisation

- education, advocacy and awareness to support behaviour change in the way waste and resources are managed
- applying the waste management hierarchy consistently with the principles of ecologically sustainable development.

This grant program aims to assist projects that support the objectives of the Strategy.

South Australia's Waste and Resource Recovery Infrastructure Plan

South Australia's Waste and Resource Recovery Infrastructure Plan complements the *30-Year Plan for Greater Adelaide 2017*. It has been developed to provide a clear guide for future waste and resource recovery infrastructure needs across the State and support a resource efficient economy in South Australia.

This is the first time such a plan has been prepared for South Australia and its regions. The Plan and the Companion Report provide intelligence for industry that will assist in informing investment decisions, identifies potential infrastructure needs for specialised and problematic waste streams and considers soft infrastructure supporting the waste and resource recovery industry development.

The Plan is available from Green Industries SA website at:

<http://www.greenindustries.sa.gov.au/sa-waste-resource-recovery-infrastructure-plan>

Objectives of the Circular Economy Market Development Grant Program

The Circular Economy Market Development Grant program will assist businesses, local authorities, industry groups, not-for-profit organisations and research institutions to accelerate transition to circular economy business models and practices through supporting innovative and commercial solutions and practices that align with the principles of designing out waste, keeping materials/products in use longer, stimulating an increase in the quality, performance and market demand for recycled materials and recycled content products.

The Circular Economy Market Development Grants Program objectives are intended to:

- accelerate adoption of circular economy business models and practices
- increase duration of product and material lifecycles and value
- facilitate an ongoing increase in the quality, performance and market demand for recycled materials and recycled content products
- create or expand market opportunities for new, sustainable products made from recycled materials or existing recycled-content products
- improve the quality and supply of waste feedstock for use in manufacturing recycled-content products, and improve market confidence/acceptance in the recycled materials and recycled-content products
- connect buyers with suppliers for recycled materials and recycled-content products.

The program encourages applications for circular economy market development projects that will contribute to achieving these objectives and provide economic, environmental and social benefits to South Australia.

Available funding

The total annual budget allocated to the Circular Economy Market Development Grant program is outlined in 'Green Industries SA Business Plan' which is published on the GISA website for each financial year, and is subject to change.

Applications for Circular Economy Market Development Grants program up to a maximum of **\$100,000** (GST exclusive) per applicant are invited.

Matching the Circular Economy Market Development Grant

Private sector businesses – the program will contribute a maximum of 50% of eligible project costs which must be matched by the applicant and cannot include “in-kind” contributions.

Industry associations, councils, not-for-profit organisations and research institutes – the program will contribute a minimum of 50% and up to 100% of eligible project costs if sufficient justification is provided which can include, but not be limited to “in-kind” contributions.

Eligible applicants

Applications will be accepted from local councils, industry associations, not-for-profit organisations, research institutions and businesses that design, apply and scale-up innovative circular economy business models and practices or produce, manufacture, sell or promote South Australian recycled materials and/or recycled-content products. All applicants must be legally constituted entities.

Collaborative applications that demonstrate a strong partnership approach between industry associations, not-for-profit organisations, research institutions and/or representatives from targeted market segments or connecting potential customers through the supply chain, are encouraged.

To be eligible for funding the applicant must:

- undertake/implement a project whereby the primary focus and benefits must be for South Australia
- be solvent and able to enter into a legally binding funding agreement with the South Australian Government
- have a current Australian Business Number (ABN) and be registered for GST; not-for-profit organisations must be registered with an appropriate Australian and/or State-based authority as a legal entity comply with all federal and state laws, regulations and any applicable Environment Protection Authority requirements
- Have been operating for a minimum of two years.

Applications from applicants who have been operating for less than two years may be considered on a case by case basis if sufficient justification is provided.

Businesses that provide independent, specialist advisory services (consultants) are not eligible to apply for grant funding¹. If you're a consultant with a project that aligns with the Circular Economy Market Development guidelines, you need to partner with an eligible business/organisation to apply for funding. Please direct the partner business/organisation to contact Green Industries SA and apply.

¹ For eligible Circular Economy Market Development projects, the organisation that is the subject of the project (i.e. a client of a consultant) may apply for grant funding to cover the fees charged by the consultant.

Funds may be made available to previous recipients of a State Government grant at the absolute discretion of GISA. In these cases, consideration will be given to previously funded projects, and the level of satisfaction with associated project outputs and outcomes before making a decision on any new funding applications.

Eligible projects

Eligible projects are ones that:

- Identify, design, apply or scale-up innovative circular economy business models and practices, and include (but are not limited to) the following activities:
 - design-led changes to achieve circular outcomes
 - implementation, trial, demonstration and scale up of circular economy business models and practices
 - business case, feasibility studies, market research and analysis on achieving circular outcomes, including product stewardship schemes or extended producer's responsibility
 - supporting circular economy projects in an industry sector and/or across supply chains
 - support collaboration and capacity building activities.
- validate and improve the quality and performance of local recycled materials and/or recycled-content products, and include (but are not limited to) the following activities:
 - product quality testing with accredited testing organisations
 - development of new or amended product technical specifications
 - development of new or amended product standards
 - the associated certification or accreditation processes linked to the product standards or specifications
 - development of environmental declarations (e.g. EPDs) or labels based on Australian (preferred) / international standards and independent verification
 - laboratory testing, field trials and demonstration for product mixes and/or performance etc that validate products, ensuring that they meet market requirements
 - implementation of national framework for recycled-content traceability ²
 - support education, training and awareness raising activities.

and /or

- develop new markets or expand existing markets for circular economy business models and practices, or local recycled materials and/or recycled-content products, such as projects that include (but are not limited to) the following activities:
 - communication and promotional activities that increase awareness and knowledge / understanding of the performance and benefits of the recycled-content products
 - business case, market analysis, market development and implementation plans
 - engagement activities that will connect suppliers with potential markets

² Australian Department of Climate Change, Energy and the Environment and Water, National Framework for Recycled-Content Traceability (2023), <https://www.dcceew.gov.au/environment/protection/waste/recycled-content-traceability>

- development of circular procurement strategies, policies, targets, specifications, model practices, reporting and systems that encourages alternative procurement models or increases and improve market demand for the use of recycled materials and/or recycled-content products, including across supply chains
- Market research identifying specific industry and/or market development barriers and opportunities for emerging and priority waste streams (as listed below).

To be eligible for funding the project and/or its outcomes must also cover all of the following:

- target the following priority waste materials (noting that other materials may also be considered):
 - plastics
 - paper and cardboard
 - glass
 - scrap metals
 - textiles
 - e-waste
 - batteries (excluding used lead acid batteries)
 - tyres
 - organics, and
 - emerging and/or problematic waste materials (such as solar PV panels and wind turbine blades etc).
- meet and contribute to the objectives of the *South Australia's Waste Strategy 2020-2025* and the Circular Economy Market Development Grants Program
- provide a measurable economic, environmental and/or social benefit to South Australia
- be focused within South Australia with a significant component of the project activities (i.e. more than 50%) to be undertaken in South Australia
- have a clear implementation timeframe and project milestones
- be new - activities have not commenced.

What will not be funded

Grant funds will **not** be available for the following:

- projects that are not consistent with the objectives of the *South Australia's Waste Strategy 2020-2025* and the Circular Economy Market Development Grants Program
- retrospective activities i.e. projects which have been completed in the past or are already taking place without the grant
- have received full funding for the same activities from other sources
- focus primarily on water and energy (these may be co-benefits)
- general organisational administration or operation costs
- existing staff costs that are not directly related to the project
- travel expenses
- equipment purchase or leasing unless it is for product development, testing and verification

- lease or purchase of land
- infrastructure projects
- early-stage research prior to product development
- standards testing for packaging including alternatives to single-use plastics.

Applicants unsure about the eligibility of their projects are encouraged to contact Ms Serena Yang at Green Industries SA on 0409 725 793 or serena.yang@sa.gov.au to discuss the matter further.

Assessment criteria

Eligible applications will be assessed against the criteria below:

Weighted criteria – projects will be scored out of 100 points for each individual criterion (1, 2 and 3). An eligible project must score at least 50 points for each criterion.

- 1. Increased markets (50% weighting):** how innovative the project is leading the market, how the project will address one or more identified market or systemic gaps and barriers and explain the extent to which the project will lead to an increase in the value, size and/or diversity of markets from adoption of circular economy business models and practices or for local recycled materials/recycled-content products.
- 2. Sustainability and local benefits (30% weighting):** the extent to which the project will benefit South Australia's economy, environment and society, such as increased local employment, fostering stronger local circular economy markets and increased circularity outcomes via waste avoidance, reuse/repairing/refurbishing, use of local recycled materials and/or recycled content products, reduction in landfill disposal, increased duration of product/materials lifecycles and value, and greenhouse gas emissions reduction.
- 3. Value for money (20% weighting):** the extent that grant monies are leveraged with other funding and/or consideration to outcomes (environmental, economic and social) expected from grant funding investment.

Non-weighted criteria – must be assessed as sufficient in order for the application to be regarded as eligible for potential grant funding (also dependent upon meeting weighted criteria requirements).

- 4. A clear and credible description of the proposed project activities:** a succinct and clear description of each major tasks to be performed. Applications must demonstrate a clear link between project activities and the achievement of project goals/outcomes in alignment with the aims of the Circular Economy Market Development Grant program.
- 5. Capacity and capability to manage the project:** demonstrating applicant's capacity and capability to manage and deliver the project successfully with sufficient commitment and experience (financial, organisational and industry support) and an understanding and compliance with the relevant regulatory requirements.
- 6. Project risk management, measurement and evaluation:** the main risks that the project may entail and the proposed mitigation measures, project key performance indicators, their measurement, evaluation and data capture.

The Evaluation Panel and Green Industries SA may take into account other aspects of the application it regards as relevant, such as a focus on an industry need or alignment with government strategic priorities. Applications that provide a wider benefit to an industry as compared to only the grant applicant or demonstrate strong strategic significance to the State will improve applicants' chances of receiving a grant.

Access to intellectual property

Applicants must be able to demonstrate they have access to any intellectual property necessary to carry out the project. It is expected that in most cases the successful applicant would grant Green Industries SA a non-exclusive, perpetual, royalty free licence to use any intellectual property created as part of the project.

Privacy and commercial-in-confidence considerations

All applications will be treated as commercial-in-confidence. Green Industries SA reserves the right to include third party evaluations as part of the assessment process and has the ultimate discretion in relation to publicity for successful applications. Applicants are not permitted to publicise their projects without the approval in the first instance of Green Industries SA.

Insurance

For the duration of the project, the applicant must maintain public liability insurance for a minimum of \$10 million. The applicant must have a professional indemnity insurance for a minimum of \$1 million per claim, if applicable.

Applicants are encouraged to ensure their chosen sub-contractor(s) or service provider(s) has and maintains public liability insurance for a minimum of \$10 million, and professional indemnity insurance for a minimum of \$1 million per claim for the duration of the project.

Application and assessment process

- All applications must be delivered by email and will be acknowledged as 'received' via return email within two weeks of the submission date.
- Applications will be reviewed to confirm eligibility by Green Industries SA and be assessed by an Evaluation Panel convened by Green Industries SA. The Evaluation Panel will assess applications based on the information provided in the application form and supporting documentation provided by the applicant with their application. The Evaluation Panel may be comprised of Green Industries SA staff and/or external specialists. The Evaluation Panel will assess all eligible applications against program Assessment Criteria included in these Guidelines.
- If required, additional written information and data may be requested from the applicant or others to assist with the assessment, including financial information as required.
- A site visit and/or interview with eligible applicants may also be required as part of the evaluation.

Applicants should note that irrespective of eligibility and merit, there is no guarantee that an offer of funding will be made.

Funding agreement

Successful applicants will be required to enter into a funding agreement with Green Industries SA. This agreement will set out the terms of the grant, conditions, payment schedules, project timing, key performance indicators, reporting requirements and other matters.

A copy of a standard funding agreement can be provided on request.

The funding agreement must be signed within 30 days of receipt to guarantee the grant acceptance, or as otherwise negotiated and agreed by Green Industries SA.

Duration

Grants may be provided for eligible project costs incurred over a maximum of 12 months from the date of execution of the funding agreement, or as otherwise negotiated and agreed by Green Industries SA.

Promotion and case studies

The applicant is not permitted to publicise their project without gaining prior written approval from Green Industries SA. Green Industries SA must be acknowledged in all media and promotional activities relating to the project and has ultimate discretion about publicity of successful applications.

All successful applicants must be willing to cooperate and participate in the development of case study materials based on funded projects (using information of a non-sensitive nature) if requested by Green Industries SA. Case study materials are usually made publicly available and may be used by successful applicants for their own promotional and/or educative purposes.

All successful applicants must, if requested, supply a high-resolution logo and authorise its use on the Green Industries SA website.

Reporting

Green Industries SA requires successful applicants to provide reporting on the project progress and outcomes. Requirements of reporting will be specified in funding agreements, and may vary on a case by case basis in accordance with project type and deliverables.